

Before the
Federal Communications Commission
Washington, D.C.

In the Matter of)	
)	
Rural Health Care)	WC Docket No. 02-60
Support Mechanism)	
)	FRN #s 19666881, 19667941, 19667981,
Request for Waiver)	19668121, 19668131, 19668331, 19668531,
of the Commission's Rule)	19668541, 19668551, 19668561, and 19668571
by Variety Care, Inc., et al.)	

**COMMENTS OF THE ADMINISTRATOR OF THE
OKLAHOMA UNIVERSAL SERVICE FUND**

COMES NOW Brandy L. Wreath, Director of the Public Utility Division ("PUD") of the Oklahoma Corporation Commission ("OCC"), and the Administrator of the Oklahoma Universal Service Fund ("OUSF"), and presents these comments for consideration by the Federal Communications Commission ("FCC"). These comments should not be construed as comments of the OCC or the individual Commissioners, and should only be construed as comments of the OUSF Administrator in his independent capacity.¹

On June 20, 2019, Kellogg & Sovereign Consulting, LLC ("Kellogg & Sovereign") filed a Request for Waiver of Funding Year 2019 Rural Health Care Program Filing Deadline. Kellogg & Sovereign serves as an E-rate and OUSF consultant for many public schools, libraries, and healthcare providers throughout the State of Oklahoma.

For the following reasons, the OUSF Administrator supports Kellogg & Sovereign's request for a waiver of the Funding Year ("FY") 2019 Rural Health Care Program ("RHC") filing deadline established by the Universal Service Administrative Company ("USAC").

I. OUSF Background

The OUSF was established in 1997 by the Oklahoma Legislature and is administered by the OCC's PUD, specifically the OUSF Administrator. The OUSF provides funding for certain broadband services (Internet and WAN) to public schools and public libraries, and provides funding for telemedicine access to eligible healthcare entities throughout the State of Oklahoma.

To receive OUSF funding, public schools, public libraries, and eligible healthcare entities are statutorily required to seek alternative funding, if available, including funding from E-rate or RHC. The OUSF will then consider payment of the non-discounted portion of the service charges. The specific statutory provision requiring the OUSF Beneficiary to seek alternative funding is 17 O.S. § 139.109.1(B)(2), which states in part:

The OUSF Beneficiary shall make every reasonable effort to obtain funding from another state and/or federal fund designed to support Special Universal Services. The OUSF Beneficiary shall provide the OUSF Administrator with information regarding the recipient's request for funding from government sources designed to support the

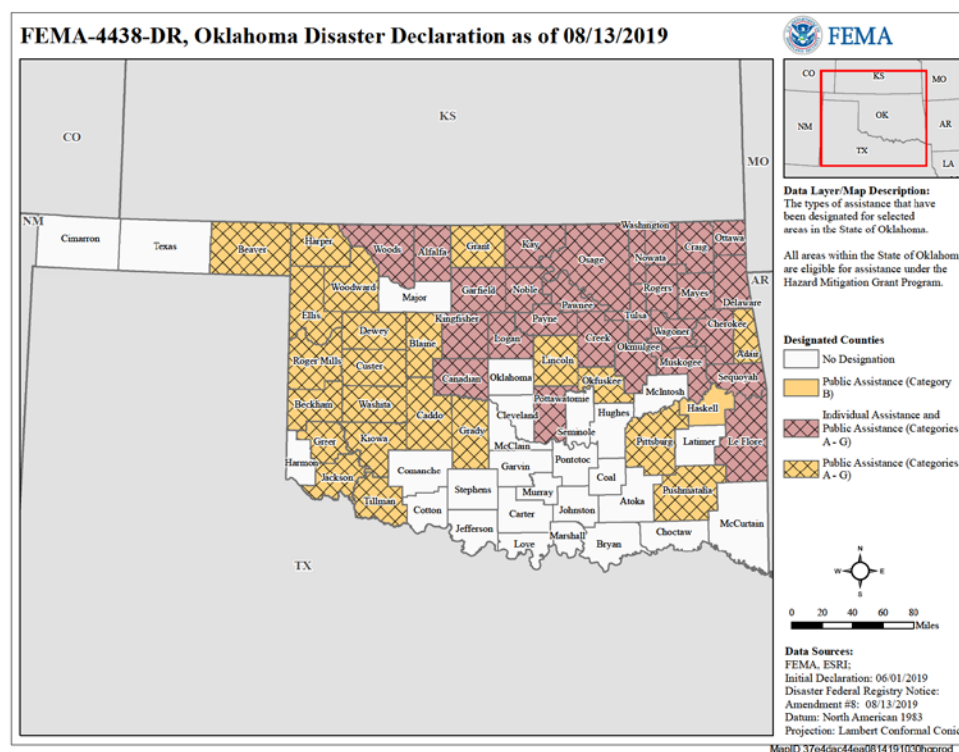
¹ 17 O.S. § 139.106(D)(2).

provisioning of Special Universal Services, or an explanation of why such funding is not available or why the recipient of the Special Universal Services did not request such funding. Failure to provide such documentation may result in the OUSF Administrator denying in whole or in part, a request for Special Universal Services funding from the OUSF... .

While each Request for OUSF Funding is evaluated on a case-by-case basis, pursuant to this statutory provision, the OUSF Beneficiary may be at risk of losing OUSF funding if there is a failure to apply and obtain all available alternative funding. Therefore, given that alternative funding was available for each of the eleven (11) funding requests, without the granting of the requested filing deadline waiver, these entities will not obtain those alternative funds and may be at risk of losing OUSF funding.

II. Oklahoma Experienced Severe Weather in 2019

The OUSF Administrator agrees with Kellogg & Sovereign that Governor Kevin Stitt declared a state of emergency, and issued numerous executive orders for all 77 counties in the State of Oklahoma. Further, the Federal Emergency Management Agency (“FEMA”) declared a major disaster declaration on June 1, 2019, for a significant portion of the State. Below is a map produced by FEMA showing the areas included in the disaster declaration.² The 11 healthcare facilities identified by Kellogg & Sovereign are each located in the designated disaster areas.



While it is not uncommon for Oklahoma to experience severe weather during the spring months, Oklahoma experienced an unusually significant amount of heavy rain and flooding during the months of April, May, and June 2019. In fact, the severe weather affected the OCC’s operations, including a forced closure of the agency on May 20, 2019. During these months, PUD’s field enforcement officers, who inspect utility-owned facilities, were often unable to access portions of the State due to high water covering

² Federal Emergency Management Agency map, <https://www.fema.gov/disaster/4438>.

the roadways. If the OCC's operations were impacted by the severe weather, then it is consistent that Kellogg & Sovereign and others' operations in the pertinent areas were likely similarly affected.

III. Effect on Oklahoma Healthcare Entities

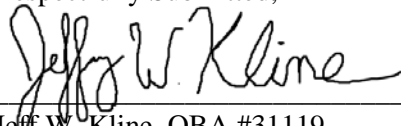
Even with RHC funding for telemedicine services, the state of healthcare in Oklahoma is already in dire straits. A denial of the waiver would create even more hardship. According to US News and World Report³, Oklahoma is ranked 47th out of all 50 states concerning healthcare; and, in rural Oklahoma, the situation is even worse. Recently, Stilwell, Oklahoma, which is in rural Haskell County, was declared to have the lowest life expectancy in the United States, at a nominal age of just 56.3 years, 22.5 years earlier than the national average.⁴ As additional support to Kellogg & Sovereign's argument to grant a waiver of the filing deadline associated with the funding of these 11 facilities, please note that two of the affected facilities are located in Stilwell. Without continued RHC funding, positive healthcare outcomes are likely to be affected and will likely decrease.

It is foreseeable that losing RHC funding will have a severe detrimental impact on rural healthcare in Oklahoma. Specifically, losing RHC funding may cause these vital facilities to close and cease serving rural Oklahomans. According to US News and World Report, an analysis conducted by Navigant, a consulting firm based in Chicago, shows there are 17 rural hospitals in Oklahoma at risk of closing, and of those, 11 are considered essential.⁵ "According to the Oklahoma Hospital Association, the state's rural hospitals carried about \$170 million in bad debt from charitable care and patients' unpaid bills. Five rural hospitals have closed in the state since 2016."⁶

IV. Conclusion

The OUSF Administrator urges the FCC to grant Kellogg & Sovereign's waiver request.

Respectfully Submitted,



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³ US News and World Report, <https://www.usnews.com/news/best-states/oklahoma>.

⁴ Tulsa World, "Stilwell, Oklahoma, has lowest life expectancy in the United States," September 18, 2018, https://www.tulsaworld.com/news/state-and-regional/stilwell-oklahoma-has-lowest-life-expectancy-in-the-united-states/article_c32cce0a-73cd-5506-a7c8-9d19843e818a.html.

⁵ US News and World Report, February 22, 2019, <https://www.usnews.com/news/healthiest-communities/slideshows/top-10-states-in-danger-of-rural-hospital-closures?onepage>.

⁶ Huffington Post, "Here's Why Rural Hospitals Are Shutting Down More Quickly In These States," https://www.huffpost.com/entry/rural-hospitals-close-medicare-aca_b_5c4734d8e4b09dd3f0cb1f08.